

Kansas Lottery

Expenditure	Actual FY 2013	Approved FY 2014	Approved FY 2015
All Funds:			
State Operations	\$ 280,562,205	\$ 285,157,723	\$ 292,374,185
Aid to Local Units	9,910,169	10,719,000	11,001,000
Other Assistance	38,064,111	37,429,365	37,795,010
<i>Subtotal - Operating</i>	<u>\$ 328,536,485</u>	<u>\$ 333,306,088</u>	<u>\$ 341,170,195</u>
Capital Improvements	-	-	-
TOTAL	<u><u>\$ 328,536,485</u></u>	<u><u>\$ 333,306,088</u></u>	<u><u>\$ 341,170,195</u></u>
State General Fund:			
State Operations	\$ -	\$ -	\$ -
Aid to Local Units	-	-	-
Other Assistance	-	-	-
<i>Subtotal - Operating</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Capital Improvements	-	-	-
TOTAL	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Percent Change:			
Operating Expenditures			
All Funds	58.2 %	1.5 %	2.4 %
State General Fund	0.0	0.0	0.0
FTE Positions			
Non-FTE Unclass. Perm. Pos.	15.0	16.5	16.4
TOTAL	<u><u>105.0</u></u>	<u><u>106.5</u></u>	<u><u>101.4</u></u>

The approved budget for the Kansas Lottery in FY 2014 is \$333.3 million, all from special revenue funds, which is an increase of approximately \$4.8 million, or 1.5 percent, above FY 2013 actual expenditures. The increase stems primarily from higher payments to gaming facility managers at the three state-owned casinos and aid to local governments. Lottery gaming facility managers receive 73.0 percent of all expanded gaming revenue, and local governments housing the state's three casinos receive 3.0 percent of all expanded gaming revenue. In FY 2013 gaming facility managers received \$257.3 million, and in FY 2014 they are projected to receive \$260.7 million, an increase of \$3.4 million, or 1.3 percent, above the FY 2013 actual amount. In FY 2013 local governments received \$9.9 million, and in FY 2014 they are projected to receive \$10.7 million, an increase of \$800,000, or 8.2 percent, above the FY 2013 actual amount.

The FY 2014 final approved budget is an all funds decrease of \$3.9 million, or 1.2 percent, below the amount approved by the 2013 Legislature. The decrease stems primarily from lower payments to gaming facility managers and local governments resulting from the April 2014 consensus revenue group's estimate that projected lower expanded gaming revenue in FY 2014. The decrease in gambling revenue is largely attributed to the leveling off of revenue in the South-Central Gaming Zone.

The FY 2014 approved budget includes 90.0 FTE positions, the same in the FY 2013 actual budget and the same amount approved by the 2013 Legislature. There are 16.5 non-FTE unclassified permanent positions in the FY 2014 final approved budget, an increase of 1.5 positions above the FY 2013 budget and FY 2014 budget approved by the 2013 Legislature. The increase is due to the inadvertent entry of certain positions and commissioners into the budget system. The actual number of non-FTE unclassified permanent positions should be 16.0, which is an increase of 1.0 position because an FTE position was changed to a non-FTE position.

The final approved budget for FY 2015 is \$341.2 million, all from special revenue funds, which is an increase of approximately \$7.9 million, or 2.4 percent, above the FY 2014 final approved budget. The increase stems primarily from higher payments to gaming facility managers and local governments. Gambling revenue is projected to increase from \$257.3 million in FY 2014 to \$366.7 million for FY 2015. In FY 2014 gaming facility managers are projected to receive \$260.7 million, and in FY 2015 they are projected to receive \$267.5 million, an increase of \$6.8 million, or 2.6 percent above the FY 2014 projected amount. Additionally, local governments received \$10.7 million in FY 2014, and are projected to receive \$11.0 million in FY 2015, an increase of approximately \$300,000, or 2.6 percent, above the FY 2014 projected number.

The FY 2015 final approved budget is an all funds decrease of \$5.8 million, or 1.7 percent, below the FY 2015 budget approved by the 2013 Legislature. The decrease stems primarily from lower payments to gaming facility managers and local governments resulting from the April 2014 consensus revenue group's estimate that projected lower expanded gaming revenue for FY 2015. The decrease in gambling revenue is largely attributed to the leveling off of revenue in the South-Central Gaming Zone.

The FY 2015 approved budget includes 85.0 FTE positions, 5.0 positions less than the FY 2014 final approved budget and amount approved by the 2013 Legislature. There are 16.4 non-FTE unclassified permanent positions in the FY 2015 final approved budget, an increase of 1.4 positions above the FY 2013 budget and 0.1 position above the FY 2014 final approved budget. The increase is due to the inadvertent entry of certain positions and commissioners into the budget system. The actual number of non-FTE unclassified permanent positions should be 16.0, which is an increase of 1.0 position because an FTE position was changed to a non-FTE position.

Kansas Lottery

	FY 2014			FY 2015		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Agency Estimate/Request	\$ -	\$ 349,360,088	90.0	\$ -	\$ 359,223,545	90.0
Governor's Changes:						
1. Gaming Revenue Adjustments	\$ -	\$ (2,434,000)	-	\$ -	\$ (2,942,000)	-
2. 1.5 Percent Base Pay Increase	-	0	-	-	24,483	-
Total Governor's Recommendation	\$ -	\$ 346,926,088	90.0	\$ -	\$ 356,306,028	90.0
Change from Agency Est./Req.	\$ 0	\$ (2,434,000)	0.0	\$ 0	\$ (2,917,517)	0.0
Percent Change from Agency Est./Req.	0.0 %	(0.7)%	0.0 %	0.0 %	(0.8)%	0.0 %
Legislative Action:						
3. FTE Position Reduction	\$ -	\$ -	-	\$ -	\$ -	(5.0)
4. Gaming Revenue Adjustments	-	(13,620,000)	-	-	(15,134,000)	-
5. 1.5 Percent Base Pay Increase	-	-	-	-	(24,483)	-
6. \$250 State Employee Bonus	-	-	-	-	22,650	-
TOTAL APPROVED	\$ -	\$ 333,306,088	90.0	\$ -	\$ 341,170,195	85.0
Change from Gov. Rec.	\$ 0	\$ (13,620,000)	0.0	\$ 0	\$ (15,135,833)	(5.0)
Percent Change from Gov. Rec.	0.0 %	(3.9)%	0.0 %	0.0 %	(4.2)%	(5.6)%
Change from Agency Est./Req.	\$ 0	\$ (16,054,000)	0.0	\$ 0	\$ (18,053,350)	(5.0)
Percent Change from Agency Est./Req.	0.0 %	(4.6)%	0.0 %	0.0 %	(5.0)%	(5.6)%

1. The Governor's recommendation included adjustments to reflect reductions in FY 2014 (\$2.4 million) and FY 2015 (\$2.9 million) expanded gaming revenue as a result of the October, 2013 consensus revenue group's estimate that projected lower revenue.
2. The Governor added \$24,483, all from special revenue funds, for a 1.5 percent base pay increase for classified employees in the Executive Branch for FY 2015.
3. The Legislature deleted 5.0 FTE positions for FY 2015.
4. The Legislature deleted \$13.6 million, all from special revenues funds, in FY 2014, and \$15.1 million, all from special revenue funds, for FY 2015 to adjust for the April, 2014 consensus revenue group's estimate that projected lower gaming revenue.
5. The Legislature deleted \$24,483, all from special revenue funds, for a 1.5 percent base pay increase for classified employees in the Executive Branch for FY 2015.
6. The Legislature added \$22,650, all from special revenue funds, for FY 2015 for employee bonuses of \$250 for all full-time employees except elected officials who were employed on December 6, 2013, and which will be paid on December 6, 2014.